

A regular meeting of the **Michigan Public School Employees Retirement System Board** was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, May 29, 2014. The following members, staff, and observers participated:

Members Present: Mike Engle, Active Classroom Teacher Member
 Alisande Henry, Representing the Superintendent of Public Instruction
 Scott Koenigsknecht, Active Superintendent Member
 John Olekszyk, Retiree Member
 Michael Ringuette, General Public Member, Actuarial Experience
 Charles Thomas, Representing Finance/Operations, Retirants, Member of largest retirant organization
 Christine Veld, Non-Certified Educational Support Member
 Larry Ward, Reporting Unit Board of Control Member

Staff Present: Phil Stoddard, Executive Secretary
 Chanda Donnan, Recording Secretary

Others Present: Patrick Fitzgerald of the Office of Attorney General; Branko Bojicic of Blue Cross Blue Shield of Michigan; Judy Foster of MEA-Retired; Joe Curtin and Paul Lerg of the Michigan Association of Retired School Personnel; Richard Williams of Williams and Company; Joe Galardi of Catamaran; Paula Brawdy of Priority Health; Virginia Gibson and Ben Louagie of Towers Watson; Ronda Dougherty with Truven Health; Lisa Eggert of Delta Dental; Steve Crippen, Laurie Hill, Mark Howard and Laurie Mitchell of Office of Retirement Services; Ramona Scott and Betsy Condon of Health Plus of Michigan; Lori Millberg, retiree

Call to Order

Chair Scott Koenigsknecht called the meeting to order at 10:36 a.m.

Excusing of Absent Members

Charles Thomas moved, John Olekszyk supported, to excuse the absences of Ivy Bailey, Stephen Epstein, Timothy Nelson, Kevin Philipps. The motion carried unanimously.

Approval of Agenda

Michael Ringuette moved, Charles Thomas supported, to approve the revised agenda. The motion carried unanimously

Approval of Minutes

Michael Ringuette moved, Mike Engle supported, to approve the regular session meeting minutes of March 27, 2014. The motion carried unanimously.

Nominations Committee for July Board Elections

Michael Ringuette, John Olekszyk and Stephen Epstein will serve on the Nominations Committee, and will meet prior to the next meeting.

Application Extension Requests for the Board's Consideration

Michael Ringuette moved, Charles Thomas supported, that the Board grant requests 1-3 as presented in the Supplemental Information to the Agenda 8A for an extension of time to apply for a non-duty disability retirement allowance under MCL 38.1386 on the basis that "extenuating circumstances" have been established to the satisfaction of the Board. The motion carried unanimously.

Administrative Hearings

Proposal for Decision – Docket 2012-002023-ORS

The Board considered the case materials. Michael Ringuette moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the May 22, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

Proposal for Decision – Docket 2012-002025-ORS

The Board considered the case materials. John Olekszyk moved, Charles Thomas supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 5, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

Proposal for Decision – Docket 2013-006039-ORS

The Board considered the case materials. Michael Ringuette moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the January 3, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

Proposal for Decision – Docket 2013-007383-ORS

The Board considered the case materials. John Olekszyk moved, Michael Ringuette supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 30, 2013 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

Proposal for Decision – Docket 2013-006407-ORS

The Board considered the case materials. Michael Ringuette moved, John Olekszyk supported, that the Board adopt as its own the recommendations of the Presiding Officer in the January 3, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement. The motion carried unanimously.

Special Reports

Mita Drazilov of Gabriel Roeder Smith & Company presented highlights of the Actuarial Pension Valuation for the period ending September 30, 2013 to Board members and answered questions.

Louise Gates of Gabriel Roeder Smith & Company, presented highlights of the Actuarial Health Care Valuation for the period ending September 30, 2013 to Board members and answered questions.

Mita Drazilov and Louise Gates of Gabriel Roeder Smith & Company presented highlights of the Actuarial 5-Year Experience Study, presented recommendations to the board and answered questions. John Olekszyk moved, Larry Ward supported that the Board adopt the actuarial recommendations as presented in the 2007-2012 Experience Study, including retaining the 8% investment return assumption for the hybrid portion of the plan and the 30% corridor as outlined on page A1 of the study. The motion carried unanimously.

Standing Reports

Legislative Summary

The Board received the current report.

Executive Secretary Comments

Director Stoddard stated that this is a busy time of the year for staff with the many public school retirements. We now have over 200,000 covered lives in the healthcare plan and we work daily to manage the plan to keep it as affordable as possible.

Board Comments

John Olekszyk thanked the board for their patience regarding his absences of the last couple of meetings.

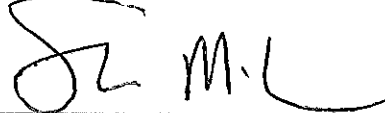
Public Comments

Comments were received from Lori Millberg.

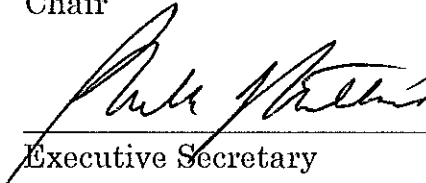
Adjournment

John Olekszyk moved, Larry Ward supported, that the meeting be adjourned. The motion carried unanimously. The meeting adjourned at 12:47 p.m.

OFFICIAL MINUTES



Chair



Executive Secretary